

Obama: Long-term U.S. Debt Load 'Unsustainable'

2009-05-15 05:23am

President Barack Obama said Thursday the current U.S. debt load is "unsustainable," and warned interest rates would skyrocket if Washington continues to borrow money from other nations.

"We can't keep borrowing from China," Obama said during a town hall-style meeting in Rio Rancho, N.M., outside Albuquerque. "We have to pay interest on that debt, and that means we are mortgaging our children's future with more and more debt."

Obama said holders of U.S. debt eventually will "get tired" of buying it. When that happens, interest rates on everything from car loans to home mortgages will increase.

"It will have a dampening effect on our economy," he said.

Earlier this week, the administration revised upward its own budget estimates, raising the projected deficit for this year to a record \$1.84 trillion, up 5 percent from an estimate in February.

<http://www.newsroomamerica.com/politics/story.php?id=454191>